



YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

# The Weekly Observer

December 16-20

THIS WEEK IN NUMBERS

## [Trump Signals for Summit with Ishiba Next Month](#)

*Yomiuri* reported Thursday that U.S. President-elect Donald J. Trump informed the GOJ that he is open to meeting Prime Minister Ishiba Shigeru in the United States before his inauguration on January 20.

This comes after Trump told reporters on Monday that he would be willing to meet Ishiba if he wants to. **Special Advisor to the Prime Minister Nagashima Akihisa**, who visited Washington in November, told *Jiji* previously that the earliest possible date would be **February**.

Chief Cabinet Secretary Hayashi Yoshimasa said Tuesday that the GOJ welcomes Trump's remarks indicating Japan's importance to the incoming administration. Trump also announced that he would nominate **former Ambassador to Portugal George Glass** — a fierce anti-China hawk and Trump donor — as the next ambassador to Japan.

The GOJ failed to set up a meeting between the leaders in November.

## [Ruling Parties Approve FY 2025 Tax System Reform Plan](#)

On Friday, the ruling parties approved the **FY 2025 tax system reform plan**, which will be submitted to next year's ordinary Diet session as legislation.

The plan includes revisions to the **income tax exemption threshold and the specified dependents deduction**. The former has been a **point of contention** between the ruling parties and the **Democratic Party for the People (DPFP)** — the opposition party that holds the casting vote in the Lower House.

The **party walked out of talks** on Tuesday after the ruling parties **refused to meet its demand to raise the threshold** from ¥1.03 million to ¥1.78 million, instead proposing ¥1.23 million.

The **secretary generals** of the three parties signed a document on Friday **agreeing to continue talks**, but it remains to be seen whether an agreement will be reached. This puts **passage of the plan in jeopardy**.

## [Cabinet Approval](#)



**39%** (-4 pts.)



**48%** (+6 pts.)

*[Yomiuri Shimbun](#)* (Dec. 16)

## [State of the Economy](#)

### **Trade Balance (Nov.):**

¥117.6 billion deficit  
5<sup>th</sup> consecutive month in deficit, though rate decreased 85.5% from Nov. 2023

### **GDP Gap (July-Sept.):**

-0.4% (¥2 trillion demand deficit)  
5<sup>th</sup> consecutive quarter shortage

### **Household Financial Assets (July-Sept.):**

¥2,179 trillion (-1.5%)  
First decline in 8 quarters

### **Machinery Orders (Oct.):**

¥869.8 billion (+2.1%)  
First increase in 4 months